ADF

Saskatchewan
Agriculture
Development Fund

Keeping the agriculture and food industries competitive through Research, Development and Demonstration.

91-05716/

Final Report

2.6-7

Saskatchewan Certified Preconditioning Feeders Project

Funded by
The Agriculture Development Fund

1988 - 1990 FINAL REPORT FOR:

SASKATCHEWAN CERTIFIED PRECONDITIONING FEEDERS PROJECT

BY

SASKATCHEWAN VETERINARY MEDICAL ASSOCIATION

PREPARED BY

K.R. PRESNELL, REGISTRAR, SVMA

AND

KEITH A. LEPOUDRE
MANAGER, BEEF DEVELOPMENT PROGRAMS
SASKATCHEWAN AGRICULTURE AND FOOD

CERTIFIED PRECONDITIONED FEEDER PROJECT

PROJECT # B2.6-7

This grant was awarded to the SVMA. The SVMA would use this fund to promote preconditioned feeder calves for sale in Saskatchewan through advertising, documenting the value of preconditioning, subsidizing tag costs, etc. A provincial committee composed of producer representatives, Sask. Department of Agriculture and Food, and the SVMA, was set up as a steering committee.

This program is targeted to provide healthier calves, better conditioned to withstand the stress of sales and transportation. It provides the producer with better management techniques for the cow and calf, a heavier calf and a premium selling price. It should provide the purchaser with a healthier product with less loss of weight, money, and animals during movement to the new farm or feedlot.

These funds helped start the program and it is expected the program will be continued and will be supported by a fee charged for the tags.

Objectives:

To encourage the preconditioning of feeder calves for sales in Saskatchewan. The ERDA grant was to be used to help get the program going and following this, would continue to be self-supporting.

Project Design:

The SVMA would use the grant money to promote the program through advertising, documentation of the value of preconditioning, and subsidize tag costs, etc. The cost to administer the program would be a tag fee payable to the SVMA.

A provincial preconditioning coordinating committee was set up to promote this program and be the steering committee. The committee was made up of producer representatives, Sask. Dept. of Agriculture & Food, and the SVMA.

The budget was:

GREEN TAG CONTRACT, 1988 & 1989

Proposed Grant:

on signing	$30,000.00	
March 15, 1989	10,000.00	
Dec. 1, 1989	2,000.00	
on final report	2,000.00	
Total		$44,000.00

Money Received:

June 10, 1988	$30,000.00	
Nov. 7, 1989	10,000.00	
Total		$40,000.00

Balance of Grant Payable: $ 4,000.00

The money to be spent:

	Year I	Year II
advertising	$ 5,000.00	$ 5,000.00
purchase tags	13,000.00	13,000.00
funding for new sales (max. 4 sales @ $1,000)	4,000.00	4,000.00
	$22,000.00	$22,000.00

Total Over Two Years = $ 44,000.00

Procedure & Methods:

Local sales committees advised the provincial committee that they had sales planned by June 1st of each year.

Sales - 1988:

i) Dec. 2/88 -Agribition Commercial Show & Sale
ii) Dec. 3/88 -Saskatoon Preconditioned Calf Sale
iii) Dec. 5/88 -Assiniboia Preconditioned Calf Sale
iv) Dec. 9/88 -South East Preconditioned Calf Sale

Results of Sales:

The following are the results of the green tag sales in 1988 in Saskatchewan, along with price comparisons to all South Saskatchewan sales.

Steer Calf Sale Comparisons in Price/CWT. (# Sold in Group)

	4-500 lbs	5-600 lbs	6-700 lbs	7-800lbs	Total
South East	$132.75 (107)	127.23 (254)	121.23 (430)	112.22 (199)	(1204)
Assiniboia	130.46 (192)	121.50 (513)	117.09 (484)	109.53 (58)	(1247)
Saskatoon	134.77 (155)	125.63 (446)	119.43 (791)	112.55 (276)	(1684)
Agribition		131.72 (255)	120.66 (244)	112.04 (60)	(559)

Heifer Calf Sale Comparisons in Price/CWT. (# Sold in Group)

	4-500 lbs	5-600 lbs	6-700 lbs	7-800lbs	Total
South East	$120.23 (117)	116.19 (249)	110.68 (151)	101.40 (30)	(548)
Assiniboia	119.00 (200)	114.25 (286)	109.39 (78)	101.17 (12)	(576)
Saskatoon	123.00 (130)	116.07 (486)	105.64 (74)	101.41 (77)	(865)
Agribition *	132.40 (55)	124.00 (75)	126.30 (40)	108.50 (5)	(175)
All South	125.00	116.00	108.00	97.00	

(* Includes feeder heifers at agribition only)

In the above report, we only looked at the four weight ranges when in actual fact, one more lower weight range and two higher weight ranges would be required to cover off all calves sold in the preconditioned sales. That is why the total numbers may not correspond with the numbers in the report under the weight groups. The reason for leaving out some of the weight groups is due to the fact that the numbers in these groups were very low.

Summary:

a) Preconditioning is becoming steadily more popular.

b) A benefit for the producer of a heavier and healthier calve to sell.

c) Calf prices vary throughout the province but most green tag sales seem to generate a 3 to 6% price over other sales at the same time in the same area.

d) By having a larger group to presort, the buyers can purchase large or small groups of very similar types of cattle, whether it be 10 or 20 head of replacement heifers or a semi load to ship to Ontario.

e) Preconditioning helps producers market local forage and grain production as calves are on feed at least 45 days before the sale.

f) Preconditioning promotes better management techniques for the cow calf producer, which should result in better production and better financial return (appendix "D").

g) Preconditioning is an option in Saskatchewan worth considering because of our climate and general selling pattern. Several articles from the states have questioning the benefits of preconditioning due to things like gains of preconditioned calves versus non-preconditioned calves, and the benefits that feedlots get from preconditioned calves. In a lot of the material from the states, they do not consider the benefit to the cows or the options that producers have. It would be hard to sell preconditioning here also, if we had an abundance of good quality grass in the fall. There is evidence available that shows both calves and their mothers can get tremendous weight gains on extremely good pasture situations. The question in Saskatchewan is, how often do we have excellent grass in the late fall (October and November).

Although there isn't much data from feedlots that show the benefits they get from buying preconditioned calves from Saskatchewan, it appears that they will continue to buy these calves, and at a premium. If the feedlots were not happy with the preconditioned calves, why would they come back and buy more.

Recommendation:

The ERDA grant for 1988 and 1989 has helped get the program off and running. It was designed as seed money and the object to become self supporting. This has happened, as the grant is finished and we wish to carry on with the program.

The SVMA will administer the program, and the Provincial green tag committee will as an advisory committee. The program will be supported by levying a charge per tag to pay the administration costs and the costs of tag replacement.

The remaining tags would be turned over to the committee to use for this green tag program. New sales would be promoted and welcome.

THE SASKATCHEWAN CERTIFIED PRECONDITIONED FEEDER PROGRAM

S.E. SASK. GREEN TAG SALE ASSOC.

Pre-sorted Satellite Sale - December 9, 1988, Regina

Box 2003, Weyburn, Sask. S4H 1Z9 — (306) 842-4687

February 19, 1988

TO: Provincial Green Tag Committee

RE: Attached Data Collection Report

Please find attached the data collection summary from this years Green Tag data collection project in South East Saskatchewan.

Table 1 summarizes the weight gain and economic data collected from 5 producer co-operators and analysis of data showing total and net costs and returns.

Table 2 summarizes the weight gain and backfat data collected and analysed in one of our beef herds at Weyburn.

As well, a list of co-operators and amounts to be paid is attached for your information. Please advise whether this money will be paid out directly through our S.E. Green Tag Committee.

The S.E. Committee does have plans to print a small leaflet containing a summary of these results as well as other pertinent Green Tag promotional information. The preliminary cost estimate to print 2,000 copies amounts to $150.00. We request the approval to spend this amount as well.

.../2

Project Costs

Herd #	Name	Address	Number of Head Cows	Calves	Amount to be Paid
1	Vince O'Hara	Ceylon, S0C 0T0	--	75	$ 75.00
2	Boyd Charles	Box 22, Stoughton, S0G 4T0	--	167	167.00
3	John Wilgenbusch	Box 4, Halbrite S0C 1H0	--	46	46.00
4	Ron Vermuelen	Box 187, Ceylon S0C 0T0	--	37	37.00
5	Ron Borys	Box 714, Weyburn, S4H 2K8	37	50	1160.00
	TOTAL		37	375	$1485.00

Payment Rates as Per Agreements

Calves	$1.00/calf
Cows	$30.00/cow

Table 2

Green Tag Cow Herd Data Collection

	# of Head	# of Days Weaned	Weight Gain from Weaning	Change Backfat (mm)	B.F. Increase
- Cows Late Weaned (Calf A.D.G. = 2.24 lbs)	37	55	14 lbs.	2.3 - 3.6	1.3 mm
- Cows Early Weaned (Calf A.D.G. = 1.60 lbs.)	50	55	27 lbs.	2.2 - 4.3	2.1 mm

- Calves early weaned on October 14, 1987 and both cow groups placed back on stubble (good grazing potential) till December 8, 1987.
- Calves early weaned, placed on a growing ration balanced for 2 pounds A.D.G.
- Cows and calves in the Late Weaned Group were weighed October 14, 1987 and placed back on stubble for grazing until December 8, 1987.